



## The Facts about Medicare Preferred Provider Organizations (PPOs)

### What is a Medicare Preferred Provider Organization?

A Medicare Preferred Provider Organization (PPO) is a Medicare Advantage Plan offered by a private insurance company that signs a contract with Medicare. Medicare pays a set amount of money to these private health plans for your health care. PPO plans are the most common and popular plans right now for working Americans.

### How does a Medicare PPO work?

A Medicare PPO has a list (“network”) of doctors, hospitals, and other providers that you may go to. A Medicare PPO gives you flexibility to see doctors and specialists, or go to hospitals that aren’t on the PPO list (“out-of-network” or “non-preferred”). It will cost you more to see the providers that aren’t part of the plan’s network.

Most Medicare PPOs offer some type of prescription drug coverage. Some plans also offer additional benefits, such as vision and hearing screenings, disease management, and other services not covered under the Original Medicare Plan (Part A and Part B). Monthly premiums and how much you pay for services will vary depending on the plan.

### How are Medicare PPOs, HMOs, and the Original Medicare Plan different?

	Medicare PPO	Medicare HMO	Original Medicare Plan
<b>Premiums:</b> Will I have to pay more than the monthly Part B premium?	Generally, yes	Generally, yes	No
<b>Extra Benefits:</b> Does the plan cover more benefits than Medicare Parts A and B?	Generally, yes	Generally, yes	No, unless you buy a Medigap policy* to cover services the Original Medicare Plan doesn’t cover.
<b>Providers:</b> Do I have to get services from specific providers?	No, but if you go out-of-network, you will pay more.	Yes	No

\* It is illegal for someone to sell you a Medigap policy if you are in an HMO or a PPO plan.

## Do I have to join a Medicare PPO?

No. Joining a Medicare PPO is your choice. If you are happy with your health care coverage now, you don't have to change.

## What Medicare PPO changes are coming?

Starting in 2006, new Regional PPOs are expected to be available across the country. These new PPOs will serve an entire state or multi-state area. Medicare hopes to bring more plan options to rural areas through Regional PPOs. Regional PPOs may

- include extra benefits, like extra drug coverage, eyeglasses, or dental coverage.
- help pay your Part B premium.
- help pay for Medicare's prescription drug plan premiums.

In addition, if a Regional PPO charges a deductible, you only have to pay a single deductible. Under the Original Medicare Plan, you pay a Part A deductible for hospital services and a Part B deductible for medical services. Regional PPOs also must have a limit on the maximum amount you pay for both in-and out-of-network care.

## How do I get more information?

For the latest information about Medicare PPOs including costs, or to find out if any are available in your area, you can

- look at [www.medicare.gov](http://www.medicare.gov) on the web. Select "Medicare Personal Plan Finder." This tool helps you narrow down your Medicare health plan choices and choose the plan that's best for you. If you don't have a computer, your local library or senior center may be able to help you access the Medicare website.
- call 1-800-MEDICARE (1-800-633-4227) and ask about PPOs in your area. TTY users should call 1-877-486-2048.

If you are interested in a particular Medicare PPO, call them directly to find out more. The plan will be able to send you information and explain all the benefits their plan offers.

To get a copy of this fact sheet in Spanish, call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

Para una copia en español, llame gratis al 1-800-MEDICARE (1-800-633-4227). Los usuarios de TTY deben llamar al 1-877-486-2048.